



Request for City Council Committee Action from the Department of Public Works

Date: June 18, 2013

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: **Car Sharing Pilot**

Recommendation:

Authorize staff to expand the car sharing pilot to include Hourcar and Zipcar and to negotiate terms for two-year agreements.

Previous Directive:

May 10, 2013: Approved staff recommendation of Car2Go as the selected service provider for the car sharing pilot and authorized staff to negotiate terms for a two-year contract. Directed staff to expand the program to include multiple vendors for use of on-street reserved parking, limiting the vendors to those firms that had recently submitted proposals for the program; further directed staff to return to the T&PW Committee in June 2013 with recommendations.

Department Information:

Prepared by: Atif Saeed, Parking Systems Manager, PW Traffic & Parking Division

Approved by: _____

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Atif Saeed

Reviews:

- Permanent Review Committee (PRC): Approval Y Date 11/8/12

Financial Impact

- No financial impact

Community Impact

- City Goals: Eco-Focused; A City that Works; Jobs and Economic Vitality

Supporting Information

Background

The Public Works Department has been exploring the possibility of implementing a city-wide car sharing program in Minneapolis. Based on research conducted by staff, a pilot program was found to be the best first step towards determining the feasibility of such a program.

On February 6, 2013, Public Works issued a Request for Proposal (RFP) to identify a contractor to conduct the car sharing pilot. The following four organizations submitted proposals:

- Hertz on Demand
- Hourcar
- Car2Go
- Zipcar

On April 30, 2013, Public Works recommended Car2Go as the selected service provider for the pilot and requested authorization to negotiate terms for a two-year contract.

On May 10, 2013, the City Council approved that request, and directed staff to expand the program to include multiple vendors for use of on-street reserved parking, limiting the vendors to those firms that had recently submitted proposals for the program. The Council also directed staff to return to the T&PW Committee in June 2013 with recommendations.

Car Sharing Pilot Program Expansion and Recommendations

Public Works recommends that Hourcar and Zipcar be included in the expansion of the pilot program. Hertz on Demand failed to provide some of the key information regarding proposed locations requested by the RFP document as well as through follow-up communications.

Both Hourcar and Zipcar had off-street and on-street components to their proposals. Both companies proposed 25 vehicles to launch the Pilot in addition to their existing fleets. Hourcar currently operates 25 vehicles in Minneapolis, while Zipcar has a fleet of eight vehicles at the University of Minnesota campus.

Following is the number of new vehicles proposed by both companies:

	Off-street	On-Street	Total
Hourcar	19	6	25
Zipcar	8	17	25
Total	27	23	50

Both companies also expressed interest in expanding the program in the future based on growth in their membership.

- Off-Street Spaces -- Public Works recommends that off-street parking spaces in the City owned and operated facilities be made available to all proposers at market rates. The proposers will not be limited to the City owned facilities and may seek parking contracts with privately owned parking facilities, as they currently do. Additionally, Hourcar and Zipcar shall include all of their vehicles operating in Minneapolis (off-street and on-street) when gathering and reporting relevant data.
- On-Street Spaces-- Public Works recommends that a total of 23 on-street spaces, 6 and 17 respectively, submitted by the proposers be part of the Pilot. Public Works further recommends that the number of on-street locations be limited to the above mentioned numbers for the first year. Proposers may request additional locations for the second year of the Pilot, which staff will support if the data supports the need for such an expansion.

The proposers will be responsible for obtaining Public Works approvals, written permission from abutting property owners, and will be required to pay market rates for each space as described by the RFP document and the addendums. If a specific location is rejected, proposers would be allowed to propose a nearby replacement location that would be acceptable.

Next Steps

Public Works is requesting authorization to negotiate terms for a two-year Pilot with Hourcar and Zipcar. Once the terms have been finalized, Public Works will return for Council action for authorization to enter into a contract.